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Friends out of all proportion to their numbers had been able to do in the cause of peace, and said it was only through the loving combination and the brotherhood of believers that they would find the solid foundation for their faith in the brotherhood of man. (Applause.)"

THE ECONOMIC WASTE OF WAR.

BY ARTHUR K. KUHN.

Third Prize.

The whole of Christendom is at present wrapped in the folds of profound peace. We perceive the benefits derived therefrom in the broad fields of a happier life, yet over the head of every civilized nation, especially of the powerful ones of Europe, there hangs like the sword of Damocles the threat of future war. At such a time it behooves us, for the purpose of advancing the cause of peace, to examine into the evil effects of war and its accompaniments, and by spreading far and wide the knowledge of those ethical and economic facts with which it is so entirely inconsistent, to arouse the human race to a consciousness of its unmitigated harm.

Even in peace the curse of war follows us. When viewed retrospectively, the wars of our fathers must be paid for by present toil; when prospectively, the maxim "In time of peace, prepare for war" stubbornly confronts us. But in either case the result is the same, impeding the progress of civilization, and placing upon the whole sum of nations a ponderous and unnatural burden. With the growth and diffusion of economic knowledge, a new feeling has arisen in respect to the treatment of war, viz., to discuss it more from the practical than from the moral and speculative point of view, and in accordance with this method we shall consider the evils of war, both direct and indirect, so far as they are linked with economic waste.

The loss which is probably the most evident, on account of the enormous proportions which it assumes, is the direct expenditure for war appliances. Especially is this true in these days of inventive science, when new firearms, new projectiles, new methods of naval construction and engineering apparatus are daily displacing the old. No nation is willing to be outdone by any other in the perfection of the material which it employs, and hence a governmental activity in this department is incessantly going on, the result of which is a factitious demand for a certain kind of manufacturing skill which the best scientific energy of the day finds it well worth while to satisfy, even at the expense of withdrawing itself from the remunerative fields of ordinary industrial activity. Thus the latest scientific results, the finest artistic contrivances, and the most exact mechanical appliances are, at the first moment of their discovery, impressed into the service of war, and render those previously in use incapable of fulfilling the newly created ends. It need not be pointed

out how great a consumption of precious material and diversion of ingenuity all this involves, when it is multiplied over so many centuries and repeated in such interminable succession.

The support of armies in peace as well as in war constitutes another channel into which flows the wealth of nations. Of all the political and economic forces that now operate in modern Europe, these armies are considered the most absolutely indispensable to the stability of the government. Let us consider their cost. It has been estimated that the average sum expended for the training of a soldier is \$500, while to support him annually costs \$150. In Europe alone, the force of the standing armies in time of peace is approximately 4,000,000 men to which 500,000 recruits are added each year, thus making a total annual expenditure of \$850,000,000. From this array of figures, the mind instinctively retreats, and yet the undoubted tendency in Europe at the present time is toward an enlargement rather than contraction of the system. The conflict between these so called military exigencies and a better economic condition is every day becoming more momentous, and if continued, must at some time assume so monstrous a form as either to be no longer tolerated or to be tolerated only by the destruction of what are now the most powerful states.

Again, the cost above indicated constitutes but a modicum of the economic waste caused by the sudden withdrawal of such great numbers from the productive industries. The men so withdrawn must necessarily be at the maturest period of life and in their full vigor and energies; for none others are capable of withstanding the hardships of a military career. For all positively beneficial purposes they are mere drones in the social, political and economic hive. Allow these men "to beat their swords into ploughshares and their spears into pruning-hooks," and to apply themselves to the business of agriculture, to the manufactures, and to the common arts of peace, and what advantageous economic results will speedily follow! The inhabitants at home would not only be freed from supporting them in idleness, but there would also accrue a positive and rapid accession to the resources and wealth of the nation, an impetus that would diffuse a vivifying and cheering influence through all classes of people and all branches of industry. The face of nature and of the useful arts would be changed; sterile and undeveloped tracts would be utilized, marshes reclaimed, the number of canals and railways increased and commerce strengthened.

As a result of all these losses and expenditures, the amount of taxation increases enormously, national debts are created and they are handed down as a legacy to posterity. No one generation ever sustains the cost of victory or defeat of the state.

*"Mortgaged states their grandsires' wreaths regret,
From age to age in everlasting debt."*

Of the 127 years ending with 1815, England spent 65 years in war and 62 in peace. In the seven wars of those 65 years, the nation borrowed \$834,000,000, and in the same time raised by taxation \$1,189,000,000, making a total burden of \$2,023,000,000. This sum, it has been estimated, would have been sufficient to raise every pauper in Christendom to a condition of relative affluence, but as it was, it placed a burden upon the English people from the effects of which they have never entirely recovered. A writer in the *Edinburgh Review* complainingly remarks :

"The schoolboy whips his taxed top, the youth manages his taxed horse with a taxed bridle, the dying Englishman pouring his medicine taxed seven per cent. into a spoon taxed fifteen per cent. flings himself back on his chintz bed taxed twenty-two per cent., and his whole property is, at his death, at once raised from two to ten per cent. His virtues are handed down to posterity on taxed marble, and he is gathered to his fathers to be taxed no more." Ludicrous as this may seem, it was no more than fact at the time.

Broadly speaking, about eighty per cent. of a nation's debt is expended for war and war preparations, but a considerable portion is never expended directly for war at all, but merely as an essential accompaniment to it. In this class the principal expenditure is for military pensions. Within the last few years, in the United States, this item has reached very large proportions. Although it is regarded as a necessity, yet from an economic standpoint, it is a total waste, bringing back no return, and yielding no useful product. Its intrinsic righteousness may be great, but considered in its results, it is highly pernicious.

We have thus far examined into the economic evils of war, so far as they affect the general happiness and prosperity in time of peace. These, it will be seen, are necessarily multiplied a hundredfold during the state of war itself. Benjamin Franklin once remarked, that it would be cheaper to purchase whatever advantage one nation would wish to obtain from another, than to pay the expense of acquiring it by war. How far this statement is true can be gauged best by a consideration of those conditions and exigencies which a state of hostility always presupposes.

Follow an army, savage or civilized, ancient or modern, through the enemy's territory, trace the course of the French under Napoleon, in Russia or Portugal, setting fire in one case to every house for 150 miles. Mark the British troops in Spain and India, see them trampling down harvests, burning villages, destroying towns, ravaging provinces and razing city after city, and can we conceive of the extent of property thus wasted? At first employed as a means toward removing impediments to the progress of the army, the effective annihilation of the enemy's wealth finally becomes an end in itself. Espe-

cially momentous has become this consideration in modern times, when the improved enginery of war renders destruction possible to an appalling extent. It has been estimated that during our late Civil war, property to the amount of nearly \$3,000,000 was destroyed in this way. What limits this item will attain in future wars, remains yet to be seen, but true it is, that with the increasing complexity in modern civilization, this question will become one of paramount importance. The value of property can be estimated only by the purposes it may subserve. It supports life, procures comforts and furnishes the means of improvement, happiness and salvation. These uses measure its value, and in this view it has been made an index to the prosperity of a nation and a criterion of its capacity for enjoyment and usefulness. Deprive a community of its property, and its means of sustenance disappears. To again restore the accustomed plane of living, days unnumbered must be wasted in labor that might have been productively applied to the accumulation of wealth.

Especially effective in undermining the support of the nation is the destruction of property in the form of fixed capital. Constituting as it does the industrial plant of the nation, and the "mine and laboratory" of the nation's wealth, it occasions by its loss a chaotic condition in the entire economic structure. Nor can this form of capital be reproduced with the same facility as other forms; hence, it appears that the wheels of the nation's progress become clogged, and its industrial organization thus placed upon a lower level.

As a result of the modern economic system of international investment, a blow struck by a state at property in its opponent's territory will often be found to react to the detriment of its own citizens. For instance, if a large portion of the fixed capital of Russia should be destroyed by England in revenge for an invasion of India, the price of Russian corn would be considerably enhanced after peace; and if circumstances threw England mainly upon Russia for her food supply, it would be found that the Russian agriculturist was earning fully as much as before, while the English consumer was paying a much higher price. In addition to this consideration, it must be remembered that much foreign capital, especially English capital, is invested in railways and other public works, in every civilized country. Capital has become cosmopolitan. English capital made the Russian and American railways; the savings of France are invested in Austrian and Italian railways; while those of Germany are invested in Sweden and Spain. Thus it has become an impossibility for the wealth of any one country to be ruined, without dragging others into the destruction, and the clash of enemies portends a debtor's fall. From this standpoint, it becomes clear that modern war occasions loss, not merely to those directly engaged in it; its scope is far wider, its death-dealing arms sub-

tend a broader field. A state of war wherever it exists implies universal harm and far-reaching misery.

But the principle that depressed conditions in one state cannot fail to induce similar conditions in another and that warfare does not assert its evils in only those communities in which it is waged, is shown in other considerations. The uncertainties of war must ever operate in this direction. A turn in diplomatic negotiation, the outcome of a single battle, or the expressed opinion of a minister of state, may change the face of affairs so completely as to be wholly beyond human foresight and calculation. As long as no forecast can anticipate what changes may take place, men will not embark in those undertakings in which wealth is employed and accumulated. They shrink from risk and wisely await the result. Thus the mainsprings of a nation's prosperity — its capital and its resources — remain idle and undeveloped. Sudden changes precede the commencement of war, accompany its progress and follow its close, baffling the utmost precaution and unsettling the whole business structure.

They discourage progress, defeat the best plans and produce a forced lethargy throughout. Hence ensue a general derangement and stagnation in productive undertakings. Nearly all the departments of commercial enterprise are either thrown into confusion or brought entirely to a standstill, and the main energies of the people, even those not directly engaged, must either rust in idleness or be frittered away in baffled schemes and fruitless exertions.

It is a universally accepted economic doctrine, that each State, by reason of its climate, situation or other opportunities, has superior advantages in certain departments of production, manufacture, or trade, and that a State becomes rich and prosperous in proportion as it buys all things as cheaply as possible in respect of which it has not those advantages, and finds the greatest demand in other countries for the things which itself most economically produces or prepares. It is clear that war and all it pre-supposes, is diametrically opposed to these axioms of international trade. This is not the case merely because war springs out of, or is inflamed by, sentiments of personal rivalry and animosity between the citizens of different States, a fact incompatible with widespread trade relations, but because war in itself is fatal to the course of trade. It occasions interruptions, sudden, perplexing and incalculable; it forces ordinary trade into unnatural and uncongenial channels; it calls into existence an anomalous sort of trade, based on nothing but the artificial exigencies of war.

It is an encouraging sign that the people of Europe, who are groaning under the weight of war taxation even in times of peace, are beginning to understand the baneful effects of war from an economic standpoint and are, within constitutional limits, insisting upon a reduction of

appropriations for the maintenance of armies. Recent years have witnessed the dismissal of Cabinets and the downfall of Ministers of State because of their failure to receive the sanction of the people's representatives to an increase of taxation for military purposes. The example of settling difficulties by arbitration set before the eyes of the world by the United States of America has not failed of its fullest effect. The roar of the cannon is growing fainter and fainter in the distance of the past and in its stead is heard the approach of the chariot of universal peace in its onward course toward a higher and nobler future.

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SHALL WE BUILD MORE WARSHIPS?

Speech delivered in the House of Representatives February 15th, on the naval appropriation bill.

BY HON. WILLIAM EVERETT OF MASS.

Mr. EVERETT. Mr. Chairman, I feel, after the eloquent and thoughtful speech that we have just listened to from my friend from the Committee on Naval Affairs [Mr. MONEY], my honored associate in the Committee on Foreign Affairs, that it is no easy task to reply to him or to anyone taking his side of this question.

I have never conquered the trepidation with which I arose the first time I addressed this House, and when I am to espouse a cause which is in many respects unpopular, which in many respects does not meet an echo in the hearts of my countrymen of any section, when I am to reply to such an admirable exposition of the cause of the increase of the Navy, I feel more than ordinarily doubtful of doing justice to myself or of impressing upon this House the views I would seek to.

I know how taking, how inspiring, how thrilling is the story of naval victories. I know how easy it is to make the cheeks glow and the eyes sparkle and the whole frame tingle by the story of naval prowess, from the time of Salamis to this very current year. I have done something in the way of reading and telling of those exploits to those who, I thought, would be excited over them. And if any of the gentlemen who favor the increase of the Navy would pay me enough for delivering a popular lecture on that subject, I think I could tell the story of naval prowess in ancient and in modern times, in foreign seas and in our own, in such a way that every boy in the United States would apply for a cadetship at Annapolis, if he had not applied for one already. [Laughter.]

But, sir, it is not the thrilling, it is not the inspiring, it is not the popular themes that it chiefly behooves a speaker here to address himself to. There is no difficulty in carrying away the American people by lofty sentiments. Sometimes we have to consider if there is not something else besides historic renown and what are considered lofty and elevating emotions.